(c) The industrial production in 1991-92 to 1993-94 was constrained by balance of payment crisis of 1990-91 which required an import squeeze, the tight monetary policy pursued to contain inflation which affected the demand and raised the cost of borrowing and a fall in investment demand due to reduction in public expenditure and investment.

Increasing the prices of newsprint by NEPA

1587. SHRI K. R. MALKANI: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that NEPA, a PSU, producing newsprint, has raised its price four times in the last four months;

(b) whether it is a fact that in the last five years the NEPA has raised newsprint prices nine times by a total of 158 per cent:

(c) whether it is a fact that private sector paper units have also followed suit;

(d) whether it is a fact that all this increase in paper prices is affecting the spread of literacy in general and the press in particular;

(e) whether Government would consider improving and economising the working of NEPA to bring down its prices; and

(f) whether Government propose to consider privatising NEPA?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) No, Sir. Nepa has increased prices 3 times in the last 4 months.

(b) No, Sir. Nepa has increased prices eight times by a total of 83% in the last five years.

(c) and (d) Increase in price is related with various factors like cost of inputs, overall market situation etc. There is no statutory control over the prices of indigenous newsprint. The import of newsprint has also been decanalised w.e.f. 1.4.1992. The price of imported Newsprint has also gone up substantially.

(e) and (f) For upgradation of technology in Nepa Limited as a long term measure, Government has decided to invite offers for participation of Private Sector in the Company.

Increase in price of newsprint

1588. SHRI KRISHNA KUMAR BIRLA: Will the PRIME MINISTER be pleased to state:

(a) whether the Indian Newspaper Society have expressed shock over the increase in the prices of newsprint recently;

(b) if so, the total amount of increase of newsprint effected during the last one year;

(c) whether the increase in newsprint has adversely affected the newspaper organisations; and

(d) the steps taken by Government to reconsider its decision and to bring down the prices of newsprint in the country?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) Yes, Sir.

(b) A statement on the increase in the price of newsprint by the major newsprint mills in Public Sector during the last year is attached. (*See* below).

(c) and (d) The Indian Newspaper Society (INS) have represented to the Government against increase in the prices of newsprint. There is no statutory control over the prices of